

Senate Study Bill 3073

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
WORKFORCE DEVELOPMENT
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to unemployment insurance tax penalties.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 5470DP 82
4 ak/rj/8

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1 1 Section 1. Section 96.14, subsection 2, paragraph d, Code
1 2 Supplement 2007, is amended to read as follows:
1 3 d. A penalty shall not be less than ~~ten dollars for the~~
~~1 4 first delinquent report or the first insufficient report not~~
~~1 5 made sufficient within thirty days after a request to do so.~~
~~1 6 The penalty shall not be less than twenty-five dollars for the~~
~~1 7 second delinquent or insufficient report, and not less than~~
1 8 fifty dollars for each delinquent or insufficient report
1 9 thereafter, until four consecutive calendar quarters of
~~1 10 reports are timely and sufficiently filed.~~ Interest,
1 11 penalties, and cost shall be collected by the department in
1 12 the same manner as provided by this chapter for contributions.
1 13 Sec. 2. Section 96.14, subsection 2, Code Supplement 2007,
1 14 is amended by adding the following new paragraph:
1 15 NEW PARAGRAPH. ee. If any tendered payment of any amount
1 16 due in the form a check, draft, or money order is not honored
1 17 when presented to a financial institution, any costs assessed
1 18 to the department by the financial institution and a fee of
1 19 thirty dollars shall be assessed to the employer.
1 20 Sec. 3. Section 96.14, Code Supplement 2007, is amended by
1 21 adding the following new subsection:
1 22 NEW SUBSECTION. 17. EMPLOYER SUBPOENA COST AND PENALTY.
1 23 An employer who is served with a subpoena pursuant to section
1 24 96.11, subsection 7, for the investigation of an employer
1 25 liability issue, to complete audits, to secure reports, or to
1 26 assess contributions shall pay all costs associated with the
1 27 subpoena, including service fees and court costs. The
1 28 department shall penalize an employer in the amount of two
1 29 hundred fifty dollars if that employer refused to honor a
1 30 subpoena or negligently failed to honor a subpoena. The cost
1 31 of the subpoena and any penalty shall be collected in the
1 32 manner provided in section 96.14, subsection 3.

EXPLANATION

1 34 This bill relates to the unemployment insurance tax law and
1 35 creates a \$50 penalty for each delinquent or insufficient wage
2 1 report from an employer. The bill mandates a \$30 fee and
2 2 costs to be paid by an employer who tenders a faulty
2 3 unemployment contribution payment to the department of
2 4 workforce development.
2 5 An employer who is served with a subpoena pursuant to Code
2 6 section 96.11, subsection 7, relating to administration of the
2 7 unemployment insurance law, is responsible for paying all
2 8 service fee and court costs associated with the subpoena.
2 9 Refusal or negligent failure to honor the subpoena shall
2 10 result in a penalty of \$250 by the department.
2 11 LSB 5470DP 82
2 12 ak/rj/8.1